

Message Text

CONFIDENTIAL

PAGE 01 CANBER 02865 270020Z

ACTION EB-08

INFO OCT-01 EA-07 ISO-00 INT-05 GSA-02 CIAE-00 INR-07

NSAE-00 OES-06 COME-00 /036 W

-----270545Z 003036 /14

R 262351Z APR 77

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 278

INFO AMEMBASSY JAKARTA

AMEMBASSY MANILA

AMEMBASSY PORT MORESBY

C O N F I D E N T I A L CANBERRA 2865

EO 11652: GDS

TAGS: EMIN, AS, ID, PP, RP

SUBJECT: POSSIBLE CHROMITE VENTURES IN PACIFIC REGION

1. LAST WEEK RESOURCES ATTACHE (RA) MET WITH WILLIAM SHAW, VICE PRESIDENT, AND NEIL TOMPKINSON OF AMAX EXPLORATION AUSTRALIA. AMAX IS INVOLVED IN SENSITIVE NEGOTIATIONS WITH GOVERNMENTS OF PHILIPPINES, PAPUA NEW GUINEA, AND INDONESIA CONCERNING THE WINNING OF CHROMITE FROM BEACH SANDS IN THE THREE COUNTRIES.

2. AMAX IS NEGOTIATING WITH THE GOP, GOPNG, AND GOI TO ACHIEVE THEIR CONCURRENCE WITH AMAX'S OBJECTIVE TO SEQUENTIALLY DEVELOP CHROMITE DEPOSITS IN THREE COUNTRIES. ADDITIONALLY, AMAX IS SEEKING MINORITY SHARE (40-49 PERCENT) IN RESPECTIVE OPERATIONS. AMAX DESIRES TO HAVE NATIONAL IN EACH COUNTRY AS MAJORITY STOCKHOLDER. SHAW TOLD RA THAT NEGOTIATIONS ARE PROCEEDING FAVORABLY AND THAT AGREEMENTS WITH GOPNG AND GOI HAVE ALMOST BEEN ACHIEVED. ADDITIONAL MEETINGS IN MANILA CURRENTLY IN PROGRESS.

3. AMAX HAS DEVELOPED NEW PROCESS FOR EXTRACTING CHROMITE FROM BEACH SANDS. AMAX IS TAKING A LOW-KEYED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CANBER 02865 270020Z

APPROACH TO PROJECTS AS THEY DESIRE NO PUBLICITY FOR:
(1) THEIR MINING PROCESS; (2) GOVERNMENT NEGOTIATIONS IN PROGRESS; AND (3) THEIR OBJECTIVE OF ACHIEVING SEQUENTIAL DEVELOPMENT OF CHROMITE RESOURCES IN HOPES OF PROVIDING ADEQUATE AND STABLE SOURCE OF SUPPLIES FOR U.S. MARKET WHICH COULD SUBSTANTIALLY REDUCE US DEPENDENCE ON SOUTH AFRICA, RHODESIA, AND U.S.S.R.

4. SHAW ASKED RA FOR, AND WAS GIVEN EMBASSY CONTACTS IN
MANILA AND JAKARTA. SHAW SAID HE WOULD KEEP RA
ABREAST OF DEVELOPMENTS IN AMAX'S CHROMITE VENTURES.

5. COMMENT: SHAW IS VERY OPTIMISTIC THAT ALL GOVERNMENTAL
NEGOTIATIONS
WILL BE SUCCESSFULLY CONCLUDED BY AUGUST 1977 AND THEN
DEVELOPMENT WILL PROCEED TO PRODUCE 200,000-300,000
TONNES OF CHROMITE PER YEAR. SHAW SAID THERE IS
50/50 CHANCE ALL OBJECTIVES WILL BE ACHIEVED. PNG
DEPOSIT IS LIKELY TO PROCEED FIRST FOLLOWED BY
DEVELOPMENTS IN BOTH INDONESIA AND PILIPPINES. END
COMMENT.
PERCIVAL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEEL, JOINT VENTURES, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 26-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CANBER02865
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770146-0469
Format: TEL
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770420/aaaaaqrt.tel
Line Count: 77
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6aa41c9f-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 16-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2697993
Secure: OPEN
Status: NATIVE
Subject: POSSIBLE CHROMITE VENTURES IN PACIFIC REGION
TAGS: EMIN, AS, ID, PP, RP, AMAX EXPLORATION, (TOMPKINSON, NEIL), (SHAW, WILLIAM)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/6aa41c9f-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009